

**The Gazette**



**of India**

**EXTRAORDINARY**

**PART II—Section 3**

**PUBLISHED BY AUTHORITY**

**No. 117 ]**

**NEW DELHI, TUESDAY, APRIL 17, 1956**

**MINISTRY OF COMMERCE AND INDUSTRY**

**NOTIFICATION**

*New Delhi, the 17th April 1956*

**S.R.O. 587.**—Whereas in the opinion of the Central Government it is expedient so to do;

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 12 of the Forward Contracts (Regulation) Act, 1952 (74 of 1952), the Central Government hereby directs that the following further amendments shall be made in the By-laws of the Bombay Oilseeds Exchange Limited, Bombay, namely:—

(1) After By-law 296 of the said By-laws, the following By-laws shall be inserted, namely:—

“296A. Every member of the Exchange shall, on each Inward Payment Day and not later than the time specified in the Clearing House Notice under By-law 252 for payment in of debit balances under the Balance Sheets pay into the margin settlement account of the Exchange with the Bank of Baroda Limited, a deposit, by way of margin not carrying interest, on the net open position in respect of hedge contracts entered into by the member during the working days for the period for which settlement rates are fixed under By-law 132 for such settlement. The said margin, calculated as follows shall be payable on the net open position as at the close of business on the day on which settlement rate is fixed under the By-laws.

On the 1st 5,000 Candies, at the rate of Rs. nil per candy;

On the next 15,000 Candies, at the rate of Rs. 2 per candy;

On the next 20,000 Candies, at the rate of Rs. 3 per candy;

On all Candies in excess of 40,000 Candies, at the rate of Rs. 4 per candy;

Provided however that it shall be permissible to any such member to set off the whole or any part of such deposit by way of margin against any amount due to such member under the Balance Sheets sent in by him in respect of such settlement:

Provided further that in respect of any deposit made by a member under this By-law on the previous Inward Payment Day, it shall be permissible to such member to adjust the same or any part thereof in the Balance Sheet sent in by him in respect of any subsequent settlement:

Provided further that such margin shall be payable only on such transactions as are outstanding on 1st June 1956 and on transactions effected on or after the said date.

296B. By-law 296 shall remain in force until the 31st May 1956 and By-law 296A shall come into force as from the 1st June 1956.

296C. (a) The Board may from time to time by a resolution passed by itself and concurred in by the Forward Markets Commission make such variations as may be necessary or desirable in respect of system, payment and/or amount of margin payable in respect of all transactions in hedge contracts including transactions entered into before such variations are made.

(b) The Board may from time to time by a resolution passed by itself and concurred in by the Forward Markets Commission provide for special clearings in respect of hedge contracts on such basis as it may consider desirable or necessary.

(c) The powers specified in sub-clauses (a) and (b) may be exercised by the Forward Markets Commission in any case where, in the opinion of the Commission, it is expedient in the interest of the trade so to do.

(d) Any variations in respect of margin and/or clearing under this By-law shall apply to all transactions in hedge contracts including transactions entered into before such variations are made."

In pursuance of the proviso to sub-section (4) of section 12 of the Forward Contracts (Regulation) Act, 1952 (74 of 1952), the Central Government in the interest of the trade and in the public interest dispenses with the condition of previous publication of the amendments aforesaid in the Gazette of India and the Bombay Government Gazette.

[F. No. 6/2/56-I.P.(B).]

K. B. LALL, Joint Secy.